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THE WAGE-PRICE SQUEEZE IN AGRICULTURE - AND THE WAY OUT

A Statement prepared for the Harvest Seminar, California Agricultural Trade Associations, Sacramento, September 1, 1959

I. Introduction

We of the Agricultural Workers Organizing Committee are pleased to have the opportunity to participate in this discussion of the agricultural economy of California. We hope that this seminar will be followed by others, under various sponsorship, having to do with other facets of this subject which is of such vital interest and importance to us all.

Now, we of the AWOC do not propose to replow the ground that has been more than adequately tilled by the other participants in this seminar. We are aware that insecticides which sold for \$16 a hundred weight in 1950 now cost approximately \$20; that a seventy-five horsepower deep well which was \$4,700 is now \$5,650; that fertilizer which was \$70 per ton is now \$90. We are equally well aware that canning tomatoes which sold for \$25 a ton in 1948 are at this moment being sold for \$21.50, and that the prices of other commodities have also dipped.

But we of the AWOC did not come here today to lament the so-called cost-price squeeze. We are not convinced that the best way to cope with narrow profit margins is to parade them in the public press. We are not convinced that the way to deal with narrow profit margins is to preserve or to extend the various forms of preferential legislation, and exclusions from other forms of legislation, currently enjoyed by agriculture. On the contrary, we believe most of the troubles of California agriculture — if troubles there be — may be assigned precisely to its special status, outside the stream of tendencies which flow through every other economic artery of our society.

We came here today rather, to discuss ways and means of breaking free from the forces which have produced the so-called cost-price squeeze. We were assigned the topic, "Organized Labor and Agriculture." This title suggests part of what we propose to say. But not all. In fact, after several false starts, we concluded it would be impossible, within the confines of our assigned rubric, to say some of the things which most needed saying. The industry of agriculture is essentially indivisible. When employees are dragged below the surface, their employers go with them. And vice versa. In the following pages, we shall have at least as much to say about organized growers as organized labor. And, in addition, we shall have a good deal to say about the role of consumers in the reconstruction of America's largest and sickest industry.

We propose to speak quite candidly. The sickness of agriculture has progressed much too far to be reversed by mere ritual, etiquette, or honeyed words.

II. Farm Wages: The Evidence

One element in the situation we are considering here this morning is the individual grower's apparent inability to exercise significant control over the price he receives for his crop. (We shall return to this point in later sections of this paper.) Another element is the individual grower's apparent inability to exercise significant control over the prices he pays for many of the materials which go into the production of his crop. (We shall have occasions to revert to this point, too.) The grower casts an anxious eye over his expenses. Power, fuel, fertilizer, insecticides, machinery, seed: there is little opportunity to hold the cost line on any of them. The grower's eye is inevitably attracted to the largest single item in his production expenses: labor. From whom does the grower buy this "commodity"? From a labor contractor, from a bracero-users' association, or from the individual worker. In the first two instances, the sellers are, in fact, agents of the grower himself. In the last case, the individual worker's bargaining power vis-a-vis the grower is so weak as to be negligible for all practical purposes.

Here, then, is a cost item over which the grower can and does exercise control. This is California agriculture's answer -- and, to date, almost its only answer -- to the so-called cost-price squeeze: a wage squeeze

Agriculture's inability to influence other economic forces is more than equalled by its ability to control wages. Its hegemony in this field is virtually unchallenged. Agriculture is exempt from the Fair Labor Standards Act, which requires a minimum wage of \$1.00 per hour in other industries engaged in interstate commerce. Agriculture is exempt from the wage orders of the California Industrial Welfare Commission. And, as we all know, agriculture, with only minor assistance from hotel and restaurant interests, defeated a proposed minimum wage law in California just four months ago.

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We confess that we find it somewhat difficult to follow the arguments growers traditionally employ in their opposition to wage legislation. They maintain that any changes, however slight, in existing agricultural wage practices will bankrupt the industry. At the same time, they maintain that a statutory minimum wage is unnecessary because, so they claim, farm workers are already making more than the minimums suggested in draft legislation.

What are the facts? As soon as we ask this question, we come upon one of the most astonishing aspects of the agricultural industry: No one knows how much farm workers earn. This would be unthinkable in any other industry, including the most minuscule. We know how much wage-earners make in the ice cream, cigar-wrapping, and lace industries. But we do not know how much wage-earners make in the industry which is by far the largest in California and in the nation as a whole.

To be sure, farm wage data are issued periodically by the U.S. Department of Agriculture. Each time they appear, we are bemused by them anew. We are told, for example, that the average farm worker in California earns \$1.17 per hour, or \$267 per month plus a house. We have not yet learned how the Department of Agriculture arrives at these curious data, but it seems apparent that all piece-rate workers have been excluded, while foremen, mechanics and other supervisory and year around personnel have been included. The results are totally meaningless. We repeat: no one seems to have any useful knowledge about farm wages.

When we refer to "farm wages" we do not refer to the so-called "prevailing wage" used by the Farm Placement Service and Department of Labor in certain of their operations. A "prevailing wage" of 50-70¢ per crate in strawberries, for example, tells us nothing whatever about the money a strawberry picker takes home in his pocket after a day, a week, or a season of work.

In the absence of official data of these essential sorts, we of the AWOC have undertaken certain pilot surveys. Through interviews with 1,149 Mexican Nationals, for example, it has been learned that gross weekly earnings in this segment of the farm labor force average \$32. This sample included braceros who had been working every area of California, and in virtually every major California crop.

Another who has recently been completed among peach pickers in five Northern and Central California counties. This sample included 215 workers, all but three of whom had had previous experience, and all but a handful of whom were professional fruit pickers who were trying to support families with their earnings. This survey indicated that average hourly earnings were 9420, and average daily earnings \$7.54.

In other crops, piece rates are pegged at levels which yield somewhat lower earnings. For example, the Farm placement Service reports that average productivity in the San Joaquin County tomato harvest is 1.15 tons per

man-day, a man-day being defined as 8 hours. At 50 pounds per box (and many boxes weigh more), this amounts to 46 boxes. The San Joaquin County Tomato Growers Association has fixed the "prevailing wage" at 12% per box. 46 boxes at 12¢ per box yields an average daily wage of \$5.52, or 69¢ per hour. Earnings on the order of \$35 per week yield earnings of about \$150 per month -- when work is steady. Agricultural work, of course, is not steady. It is evident that full time agricultural wage workers in California average appreciably less than \$1,800 per year. III. Farm Wages: The Consequences The Wage-Survival Pinchers. If every California farm worker's family included three adult wageearners employed in agriculture the year around, these families would still be making less than the amount deemed necessary by economists for a "commonly accepted standard of living." The immediate and obvious result of the farm wage structure, so far as the worker and his family are concerned, is a debilitating and dehumanizing wage-survival squeeze. only a few of the consequences which flow from the wage-survival pinchers may be noted here, (1) Families trying to survive on very low incomes are usually forced into substandard housing. Has anyone reckoned the cost of agricultural "shoestring communities" in terms of health and fire hazards .-- and the destruction of human dignity? (2) Families trying to survive on very low incomes usually cannot afford to pay doctors', dentists', or hospital bills, and cannot afford health insurance premiums. Has anyone ever calculated the quality of/care which farm workers and their families receive under these circumstances? (3) Families trying to survive on very low incomes usually cannot afford to send their children to school beyond the age of 18. Has anyone ever calculated the number of architects, engineers, or teachers who have been lost to our society from the fact agricultural · workers' children had to drop out of school in the 11th or 12th grade? (4) Families trying to survive on very low incomes are subject to pressures unknown to the middle-class community. Has anyone reckoned the consequences of farm wage levels in terms of broken homes, social maladjustments, mental and emotional disturbances? But perhaps these basic human questions will be judged irrelevant to this morning's discussion, Keeping in mind that this conference was called for consideration of the plight of processors and primary producers, let us comment briefly upon one or two other consequences of the present wage structure in agriculture. - 4 -

B. The Cobbler's Children Have No Shoes.

Families trying to survive on very low incomes are forced to slash deeply into their expenditures for food. Official studies have shown that a family of four, with an annual income of \$2,000,

spends only \$1.020 for food, as compared to \$1.776 for a family with an annual income of \$6,000. Furthermore, the low-income family tends-to use types of food which are filling but cheap: grains, dried legumes, potatoes and the like. They buy relatively few fruits and vegetables. Leaving aside the implications for health, the economic implications are of direct and immediate interest: agricultural workers are often unable to buy the commodities which they produce. The importance of this point cannot be exaggerated. Let us ask ourselves, what would be the effect on the automobile industry if auto workers could not afford to buy cars? What would be the effect on the textile and garment industries if their employees could not afford to buy new clothes? Obviously, these industries would soon be in difficult straits. They would begin to talk about "disappearing profit margins." What would be our reaction if they responded to the situation by beating their workers even farther down the economic ladder? We would consider this to be wildly irrational and self-defeating behavior. It is precisely what agriculture is doing today. It is trying to cure its sickness by aggravating one of the deepest-lying causes of that sickness.

C. Something for Nothing?

We should like to comment on still another inescapable consequence of the present wage structure in agriculture. In a free society such as ours, we generally get what we pay for. If we pay \$2.00 for a certain article, we naturally assume that it is better than another brand which costs only \$1.00. As it is with commodities, so it is with labor. We will confess that we are endlessly amazed by growers complaints about the quality of their labor, in the face of the fact they are paying their employees from one-half to one-fourth as much as other industries. Do growers seriously expect to get a \$3.00-an-hour worker for \$1.00 an hour? If they do, they must surely believe there is a Santa Claus, and they must believe he makes his rounds every day in the year.

Many good men have, of course, been driven out of the farm labor market by the insult to their self-respect and integrity which current farm wages represent. Other good men remain, but with efficiency seriously curtailed. A man who knows his worth — and most men do — will not remain on a job in which his labor is grossly undervalued. He will "shop around" from day to day, in hopes of finding a field or orchard in which his worth is recognized and recompensed equitably.

Still other farm workers have become demoralized through years of being told, in so many words, "Workers in townmay be making \$3.50 an hour, but you're only worth 70% an hour." There is a "looking-glass" mechanism in

human relations which tends to mold the individual into the image which others have of him. Agricultural employers have, wittingly or unwittingly, created large numbers of unstable workers. It is not unstable workers who have led to low wages; it is quite the other way around. We are perenially bemused, therefore, to hear growers publicly criticize the quality of their labor force. They are, in effect, criticizing themselves. There is no logic in their complaining about unreliable workers. There would be logic in their complaining about unreliable wages.

D. America's Forgetful People.

Let us examine the budgets of two fruit growing operations -- one small, and one ten times as large.

	Grower A	Grower B
Gross Income	\$11,000	\$99,000
Harvest labor Preharvest labor and	1,500	12,870
orchard maintenance	000 000 000	25,000
Equipment & supplies	1,500	10,000
Depreciation	2.000	3,000
Taxes, insurance, interest	750	2,250
Adminstration		20,000
Net Income	5,250	36,600

We do not have space to review every salient aspect of these two budgets, but the following should be noted: (1) Grower A, with the full-time help of his son, furnished all the labor in his orchard, with the exception of picking. (2) Grower A paid 4¢ a box more than Grower B to have his fruit picked, was able to attract better workers, and consequently got about 10% more production per acre. (3) Grower B paid his pruners, thinners, and irrigators 90¢ per hour. (4) The value of Grower A's labor, and that of his son, over the year, was 90.1¢.

If the hourly wages of Grower B went up, let us say, to \$1.50, and the piece rates of both Grower A and Grower B went up to a comparable level, the following things would happen: (1) Grower A's total expenses would go up \$500 per year, reducing his net income 9.5%. (2) Grower B's total expenses would go up more than \$23,000 per year, reducing his net income by 63.2%.

(3) Grower B, and other large growers, would demand -- and with their bargaining power would receive -- a higher price from the principal buyers of their crops. (4) If the price finereased by, say, 15%, the net income of the family farmer would increase by approximately 50%.

Although the figures vary from area to area and crop to crop, this much may be said of all working farmers in California: the value of their labor is, in the very nature of things, limited to the price which

agricultural employees receive for their labor. Every agricultural economist in the country knows this is so. The working farmer, himself, knows that it is so when he stops to think about the matter.

But usually he does not stop to think about it. Or he forgets. Amid the camaraderie of growers' meetings, he forgets that the big grower who claps him on the back with one hand is

throttling him with the other. Agribusinessmen who do none of their own work, but hire it all done, understandably (albeit misguidedly) want that work done as cheaply as possible. The small farmer, who does most of his own work, should want the agribusinessman to pay the highest possible price for his labor. Nothing less will save the working farmer from extinction.

But he forgets. Farm laborers, it is said, are America's "forgotten people." Family farmers, it might be said, are America's forgetful people.

E. Margin of Error.

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for parkJelli Under the thrust of the forces we have described, unit profit margins have dwindled. The large-scale tomato grower, hiring labor at 90¢ an hour, or less at piece rates, is able to survive with a profit margin of, say, \$20 per acre. If he has 500 acres, he clears \$10,000 and is able to stay in business. As we have seen, the smaller grower, operating within the same market, cannot rise above the conditions imposed by the larger growers. If a grower's margin is \$20 per acre, and he has only 40 acres of tomatoes, his profit is only \$800 for the season. This is little better than the earnings of tomato pickers themselves.

The small or medium-sized grower usually does one of two things. (1) He may sell out to the large grower, who, with increased acreage, is then able to get by on an even narrower unit margin of profit than before. (2) He may increase his own acreage, usually by renting land, in a desperate effort to survive on the shrinking margin of profit per acre.

The result has been a reverish scramble for land and more production. This, in turn, has naturally tended to drive the value of land upward -- which has further reduced the margin of profit and/accelerated the scramble for land and increased production.

The following table indicates this process at work in the tomato industry in San Joaquin County:

Year	Acreage	Tonnage
1948	24,700	362,300
1949	22,717	358,761
1950	23,250	337,000
1951	43,600	716,800
1952	35,300	585,400
1953	30,000	544,400
1954	25,910	455,600
1955	39,000	682,500
1956	49,843	996,860
1957	45,030	747.562
1958	47,000	796,500

SOURCE: California State Farm Placement Service, unpublished data

During this ten-year period, both the acreage and the tonnage of tomatoes in San Joaquin County have increased by more than 100%. Would anyone associated with the tomato industry be so bold as to assert that this increase was a response to increased demand? Only in part can the scramble for tomato land be attributed to conditions of the market. At least as important, it appears, is the relentless pressure exerted by the unit margin of profit.

F. Whatsoever a Man Soweth ...

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The first act was cheap labor. The second act was lowered profit margins. The third act was increased acreages and production. The fourth and final act may be anticipated by anyone who knows anything about economics, or who possesses elemental common sense.

When the supply goes up, the price goes down, as may be seen by examining the previous table in conjunction with the following table of canning tomato prices in San Joaquin County.

		Average
	Year	price per ton
		(round tomatoes, roadside)
	1948	\$25.80
	1949	23.20
	1950	23.50
	1951a	30,20
	1952	25.50
10	1953	22.90
	1954	20.40
	1955	22.80
	1956	22.70
	1957	21.90
	1958	22.70
nad:	1959	21.50 (estimated)
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a. An atypical year, owing to the impact of the Korean War. SOURCE: San Joaquin County Tomato Growers Association.

Much the same thing has happened in other branches of agriculture. We read, for example, that peach growers are receiving less from the canneries this year than they received in the depression years of 1939 and 1940. Why? The overproduction of recent years has created a glut in the warehouses.

What can be done to reverse the strain toward overproduction? A number of things, several of which will be discussed subsequently in this paper. For the present, let us continue along the lines of the foregoing analysis and reply, "Increase the unit margin of profit." How to increase the unit margin of profit? Among other things, increase the value of the working farmer's own labor. How to increase the value of the working farmer's labor? Increase the price which hired farm workers receive for their labor.

Or, to put it in even clearer language: increase farm wages.

IV. How to Get Blood From a Turnip

There are many growers who say, quite sincerely, something like this: "I know farm wages are lousy, but what am I going to do? I'd like to pay my workers a buck and a half an hour, But where's the money going to come from? You can't get blood from a turnip,"

We urge these growers of good will to think more muscularly. A careful examination of existing farm wage practices reveals some very suggestive things. Perhaps there is blood in this turnip, after all.

First, we repeat what we said a few moments ago: one tends to get in value received what one pays, for labor as for anything else. If \$1.25, let us say, were the average wage in San Joaquin County, rather than 90%, a large number of persons would enter the farm labor market who are remaining out of it under present conditions. These persons would be equipped, physically, mentally, and emotionally, to provide \$1.25 worth of work per hour. They would naturally tend to take the place of those 90%-an-hour workers who were not able to provide \$1.25 worth of work per hour. Other 90%-an-hour workers would no doubt improve their job performance, through the operation of the "looking-glass effect" mentioned above.

Furthermore, we know there is blood in the farm wage turnip because many growers are already paying \$1.25 to \$1.50 per hour, or more, to get their crops harvested. Let us expand upon this point.

A. Ask the Man Who Knows

Small growers know from personal experience what a hard day's work in a field or orchard ought to be worth. These growers often ignore the "prevailing

rates" fixed by bracero-using associations and the Farm Placement Service. In the short period during which it has been operating, the AWOC has already placed workers with small growers at wages as high as \$1.75 and \$2.00 an hour.

Permanent, professional agricultural laborers have long since learned to go directly to working farmers for their jobs. This practice is common, for example, among Filipino farm workers, who rarely if ever seek employment through the Farm Placement Service. Scarcely any of California's approximately 10,000 Filipino farm laborers work for less than \$1.25 an hour, and a good many work for more.

One may ask, "If the financial position of the little grower is as precarious as has been described, how can he afford to pay 25% to 50% more than the large grower?" The answer to this question is implicit in the two sections of this paper which immediately follow.

B. The Farm Labor Contractor.

Large growers commonly turn over preharvesting and harvesting operations to labor contractors. The grower may pay the contractor an agreed-upon rate per ton, per box, per acre, per tree, or per hour. These are the growers' "labor costs" in every respect but one: laborers themselves get only a portion of the money.

The farm labor contractor system has been rather widely discussed, but usually in terms of licensure, or in terms of the illicit practices in which some contractors engage: traffic in prostitutes, alcohol, etc. Important as these things may be, it is even more important that the veil of secrecy be stripped from quite another aspect of the farm labor contractor's operation: the proportion of the grower's "labor costs" which he siphons off for his "services."

For illustrative purposes, we shall consider the factual case of a labor contractor in Stockton. Let us here give him the pseudonym of Antonio Tomasini. He is a fairly large operator, but by no means the largest in the area. His labor practices are no better and no worse than those of other contractors. His economic arrangements are typical. In apricots this year, for example, Antonio Tomasini ran three double crews, of approximately 50 men each, and three single crews, of approximately 25 men each. The average man picked 24 field boxes of apricots per day. Mr. Tomasini received from the growers 45% per box; Mr. Tomasini paid his workers 27% per box. Following is the approximate daily incomel and outgo of the operation:

¹ The discussion here assumes Mr. Tomasini had no income from the sale of sandwiches, etc., to workers in the fild; that he did not charge for transportation; that he received no kickbacks from the several classes of operators peripherally associated with the farm labor contractor system.

Revenue:	Expenses
5,400 boxes, © \$.45 = \$2,430	Payroll: 5,400 boxes @ \$.27= \$1,458 6 foremen, @ \$17 = 102 3 checkers @ \$13 = 39 Transportation: gas, oil, etc 30 insurance 12 depreciation 18 Workmen's Compensation 80 Social Security 10 Miscellaneous 10

In other words, Mr. Tomasini made \$671 per day net profit from the "labor costs" of the six apricot growers with whom he had his arrangements.

This same labor contractor is now operating in peaches in San Joaquin and Stanislaus Counties. He has five crews, which average 20 men each. These crews pick about 75 boxes of peaches per man-day. Mr. Tomasini receives from the peach growers 23% per box. He pays his workers 13% per box. Here are the financial details of this operation:

Revenue	Expenses
7,500 boxes @ \$.23 = \$1,725	Payroll: 7,500 boxes @

In peaches, Mr. Tomasini's net profit is approximately \$550 per day.

If "labor costs" in peaches actually went to peach pickers, their earnings would jump by 77%. If the "labor costs" of the apricot growers had actually gone to the apricot pickers, their earnings would have been 67% higher. There is blood in the farm wage turnip, after all

What do labor contractors contribute to the agricultural economy of California which makes their services worth 40% or more of the payroll? Has any grower asked a contractor such as Mr. Tomasini why he needs a net profit of \$500-\$700 a day? Has any grower asked Mr. Tomasini if he might be able to get along with a net profit of, say, \$100 a day, plowing the remainder into workers' wages? Has any grower stopped to consider that if the entire 23¢ per box for peaches, 45% per box for apricots, and so forth, were paid to

workers, there would be no need for Mr. Tomasini and his kind? If "labor costs" went directly to agricultural workers, they would be able to provide their own transportation, as workers presently do in longshoring, construction, lumbering, and other seasonal industries.

Until growers face the above questions, it comes with ill grace for them to claim they cannot afford to pay their pickers any more than they are already paying. For, be it remembered, the above discussion is couched entirely within the framework of existing "labor costs."

Some may wonder, "Who else could perform the service the contractor now performs of rounding up men and seeing the job through?" We hope someone asks us this question, for we have a number of thoughts on the subject. Our thoughts, by the way, go quite beyond the contractor's function of furnishing mere bodies. The arrangements we have in mind would provide growers with experienced, competent and steady men. We would be happy to sit down and discuss these arrangements with any grower who feels such a labor force would be an asset to his operation.

C. The False Economy of Bracerismo.

We have seen that nearly half the "labor costs" of the average grower who employs domestic workers are being diverted, and cannot properly be considered "labor costs" at all. Much the same thing may be said of "labor costs" under the Mexican National program. Braceros themselves, of course, receive no more than the "prevailing wage." But there are many other costs involved in this program. In 1949, appearing in favor of the third postwar extension of the World War II bracero program, a witness testified as follows:

Mr. BUNJE: The employment of foreign workers is a very expensive process. In fact, we find that there have been instances in which the cost per man has just been out of all proportion to the work that he is able to perform.

Mr. GATHINGS: That cost, though, is borne by the farmer himself?

Mr. BUNJE: I am talking about the cost to the farmer. That is right.

(Hearing before a Subcommittee of the Committee on Agriculture, House of Representatives, July 14, 1949. Ralph B. Bunje, now Executive Secretary of the California Canning Peach Growers Association, was at that time Manager of the Agricultural Labor Bureau of the San Joaquin Valley, Inc.)

Let us examine in some detail the "labor costs" under the bracero program which are not actually "labor costs" at all. Following are the costs to the employer of employing a bracero for six weeks in a typical bracero-

¹ Some growers speak of braceros as "premium labor." In terms of hidden costs, there is some truth in this description. These hidden costs are so much blood in the farm labor turnip. However, in terms of worker carnings — the only meaningful index of labor costs — braceros are obviously "cheap labor, "The has had a devastating effect upon the farm labor market (as was presumably intended), and upon the entire agricultural economy (as was presumably not intended).

users' association in Central California. (The association, in the following case, provides central housing and dining facilities.)

Contracting Fee:	\$15.00
Round-trip transportation from El Centro:	20.00
Association fees:	30.00
(15% of payroll)	
Meals en route to and from El Centro:	3.00
Workmen's Compensation:	10.00
(5% of payroll)	
Other (daily transportation to field;	
foreman; etc.)	25.00

It costs bracero-users in this association over \$100 per worker for the privilege of having tractable labor for six weeks. The cost to growers who provide their own housing is probably even greater. This is surely false economy. If domestic workers were offered a bonus of, say, \$75 for seeing the job through to completion, there would be no need for Mexican Nationals in the State of California. Not only would domestic workers in sufficient numbers prove to be available, but they would be workers at least as productive as Mexican Nationals, and probably more so.

Another of the false economies of the bracero program, long recognized by insightful growers, is that virtually every bracero is a neophyte. Lemon growers get braceros who have never seen lemon clippers and a ring; cotton growers get braceros who have never seen a cotton field; tomato growers get braceros who have never picked tomatoes. It is startling to hear some growers' representatives depict farm laborers as so many interchangeable units. Every—one conversant with the verities of agriculture reflices—the absurdity of this claim. There is no agricultural task which an amateur can perform efficiently from the outset. The simplest tasks take some days to master. Others require weeks, months, and even years. Indeed, the basic regulations of the bracero program refute the "interchangeable units" doctrine. Although we know of no case where it has ever been enforced, Article 4 of the Standard Work Contract provides for a week's apprenticeship period.

V. Growing a New Strain of Turnips

There is blood in the turnip of farm wage practices. But there may not be enough to make agriculture competitive in the general labor market. What, then, is the proper course for agriculture in the future?

There are those who say, "Agriculture has never been competitive with industry, and cannot be asked or expected to become competitive with industry." These are the same people who say, "The long-term outlook is that

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Assuming the national average is 100 per bracero, growers are paying approximately 50,000,000 annually for this labor program. To this figure may be added the 110,000,000 which U.S. taxpayers have paid for the administration of the program since its inception. One wonders what might have been accomplished if sums of money such as these had been spent for the upgrading of the farm labor market! (One notes, too, that the costs of maintaining the program are greater than the total net earnings of the workers contracted under the program!)

agriculture will never again be able to fully supply its labor needs from domestic sources ..." (William Tolbert, Manager, Ventura County Citrus Growers Committee; Chairman, National Farm Labor Users Committee. Hearings before the Committee on Agriculture and Forestry, U.S. Senate, March 23, 1953.) These are the same people who say, "People are deserting agriculture... because they do not like the type of work. * * * I say to you, sir, that even if we raise those workers' wages to that of an industrial worker that the labor would still flow to the industrial plant ... "(William Thornburg, President, Western Growers and Shippers Association. Hearings before Committee on Education and Labor, U.S. House of Representatives, November 19, 1957.) These are the same people who can see no way out of the "cost-price squeeze" - except further cuts in labor costs.

This point of view is completely untenable. No industry deserves to survive in any society if it cannot meet that society's values and standards of justice and decency. The thing which most disturbs us, and increasing numbers of Americans, is not so much that agriculture is impoverished and disorganized as that agriculture accepts its proverty and disorganization. Growers complain a great deal about their condition, but do nothing constructive about it. They seem under the spell of a doctrine of determinism -- a doctrine that men are powerless to influence external forces and events. There is a strange inconsistency between growers' advocacy of free enterprise, and their denial of free will.

We prefer to subscribe to the hypothesis that men, acting in concert, may save themselves from any unkind force or influence -- including their own follies. There is nothing in the "cost-price squeeze" which shakes our confidence in man's ability to shape his own fate. To us, the present state of agriculture indicates only that there are regrettable occasions when men do not choose to exercise the capacities which are inherently theirs.

We shall here set forth some of the actions which growers might have taken -- and could still take -- to join the rest of the mid-Twentieth-Century American society and economy. We do not suggest that our discussion is or can be exhaustive. We do not possess the resources which are at the disposal of the Giannini Foundation, for example, or the Farm Bureau Federation. If even a small fraction of these resources were turned to the consideration of bold, new solutions to farm problems, rather than to ways to live with these problems, much could be added to the following brief discussion. The points we raise here are intended merely to suggest the type of thinking in which growers, their representatives, and their University friends should be engaged if they are genuinely concerned about a "cost-price squeeze."

A. Semi-mechanization.

In the summer of 1951, a major tomato grower in Yolo County developed a machine which, in tests, increased tomato pickers' efficiency by

approximately 25%, while at the same time making their work less strenuous physically. The machine moved slowly down the rows of the field, while pickers followed it, placing their tomatoes on a belt which conveyed them to a platform where they were boxed. This eliminated the necessity for pickers to carry 50 pound boxes to the roadside -- a distance of as much as 150 yards in some fields. The tomato grower in question was prepared to use his machine in the 1951 harvest. A few weeks before that harvest was to begin, however, Public Law 78 was enacted by the U.S. Congress, and the Migrant Labor Agreement of 1951 was adopted by the U.S. and Mexican Governments. Our Yolo County tomato grower received a certification to employ 300 braceros that year. He has employed braceros every year since. His machine has since been sold to a San Joaquin County grower -- but it has never been used in a tomato harvest.

This incident illustrates the following points:

- (1) Many agricultural tasks which are now performed entirely by hand, and which do not lend themselves to full mechanization, could quite readily be semi-mechanized.
- (2) Increases in productivity resulting from semi-mechanization would enable growers to increase wages substantially, and at the same time to increase profits -- even under existing price structures.
- (3) But even the more obvious types of semi-mechanization will apparently not be undertaken so long as the present bottomless reservoir of cheap labor remains to bewitch growers, and despoil them of their imagination and wits.

B. The Meaning of "Attract and Retain."

Those growers who are interested in basic solutions to the current economic difficulties of agriculture realize that dependence on foreign labor is pernicious. There can be no basic solutions so long as foreign contract labor programs exist in their present forms and dimensions. These programs are a crutch which weakens what could be a perfectly sound musculoskeletal system. Agriculture will have to discard this crutch if it is ever to walk straight and tall. Agriculture will have to function with an American labor force, as every other American industry does. If it cannot, then let us import all our foods and fibers from the under-developed countries of the world, and abandon the pretense that agriculture is the backbone of our society. We are confident, however, that agriculture can join the American economic family. We look for growers, whose patriotism cannot be doubted, to reject the essentially subversive doctrine that agriculture can only survive under foreign standards.

The first problem is: how to re-attract American workers into the farm labor market from which they have been driven over the years? The second problem is: how to keep them in the farm labor market once they have entered it?

The claim that Americans "won't do stoop labor" is, of course, absurd. We trust no one in our audience takes this argument seriously - even those who may on occasion use it. Americans work as cement finishers, roofers, ditch-diggers, and in many other types of employment which require just as much stooping as/task in agriculture. Indeed, Americans work in jobs such as cleaning sewer lines and mining coal, which not only require stooping, but involve working environments far more unpleasant than anything in agriculture.

On August 24, 1959, the Agricultural Workers Organizing Committee of Stockton conducted a door-to-door survey which included, among other things, the question, "From what you know, what would you say a person might object to about picking tomatoes?" Results were as follows:

	Number	Percent	
TOTAL 1	93	100.0	
Wages a	85	91.4	
Insecurity	42	45.1	
Sanitation	34	36.6	
Stooping	12	12.9	
Heavy Work	8	8.6	
Weather	5	5.4	
Hours	4	4.3	
Other ²	8	8.6	
		1	

- 1. Replies total more than 100%, as many informants mentioned more than one factor.
- 2. E.g., "transportation, "work is dirty," etc.

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It is apparent from this table that the consideration which over-whelmingly influences people's decision to do farm work or not to do farm work is wages. If wages were such that the average worker could "make it," as the saying goes, literally thousands of persons in an area such as San Joaquin County would be attracted to the farm labor market who are indifferent to it -- or repelled by it -- at present. This point is clearly reflected in the results obtained from another survey conducted by the AWOC in San Joaquin and Stanislaus Counties.

Is there anyone in this household who would consider picking tomatoes this year if the piece rate were such that he could be fairly sure of earling an average of

	Yes	No	Uncertain	Total
.90¢ per hour?	10	153	21	184
\$1.15 per hour?	. 52	111	21	184
\$1.25 per hour ?	114	49	21	184
More than \$1.25 per hour?	124	39	21	184

Evidently, the breaking point is somewhere between \$1.15 and \$1.25 an hour. Less than one-third of our informants indicated anyone in their household would consider picking tomatoes for the piece-rate equivalent of \$1.15 an hour. But 70% said someone in their household would consider picking tomatoes for the piece-rate equivalent of \$1.25 an hour. The arithmetic average was 1.6 potential tomato pickers in those households where an affirmative answer was obtained. In other words, 198 potential tomato pickers were located in 184 households visited, and if we pro-rate informants who were "uncertain" into affirmative and negative responses, we arrive at a total of 223 potential tomato pickers in our sample of 184 households.

The AWOC survey was conducted in lower-middle class areas in San Joaquin and Stanislaus Counties. Somewhat different results would no doubt have been obtained in Hillsborough or San Marino. But it remains one of the facts of our social life that a good many more people belong to the lower-middle class than the upper-upper class. We do not hesitate to say that 8,000 to 10,000 persons would make themselves available for the tomato harvest in San Joaquin County if they were able to make a reasonable wage. Be it noted that the average conception, within our sample, of a "reasonable wage" was a very modest one.

But man does not live by wages alone. Nor even by a combination of wages and working conditions. He lives also by the image he has of himself, and by the image others have of him. He needs to be respected. He needs the knowledge that his children will answer with pride when other children ask, "What does your daddy do?" Sociologists tell us that in our society occupation per se is the prime determinant of status. Money does a good many things, but it does not buy respect, any more than it buys love or entrance into Heaven.

To <u>retain</u> workers in the farm labor market, therefore, it is necessary that they not only earn a livelihood from their employment, but earn a sense of pride which has relatively little to do with monetary considerations. To the present time, agricultural labor has been regarded by many farm workers as a temporary stopping-off place -- a stepping-stone toward other employment. But growers have used this argument, like others we have reviewed,

as though present conditions were immutable and fixed in the eternal scheme of things. This is egregious nonsense. Americans can be held in any type of employment by a combination of two factors: economic and sociological. We have already discussed economic factors. Let us consider briefly the sociological prerequisites of stability in the harvest labor market. (It should be remarked that the problem throughout almost all this paper is seasonal farm labor. Speaking by and large, year-around employees are in plentiful supply: their wages, while somewhat low, are usually sufficient to support a family modestly.)

For years, growers have contributed to an image of farm labor as something unworthy, something degrading. Whether they have done this wittingly or unwittingly is beside the point. The point is that this image is currently widespread, and an important part of the salvation of agriculture lies in the destruction of the old image and building of a new.

Twelve years ago, a lobbyist for the American Farm Bureau Federation appeared before the House of Representatives Committee on Agriculture to testify in favor of extension of the World War II "emergency farm labor program" -- i.e., the bracero program. Congressman Thomas Abernethy (D., Miss.) said to the witness,

As a general principle of our American way of living, do you believe this is a good thing? Do you think it is well for our economy for people to have that attitude of life-- that it is undignified to work on a farm? * * * It seems to me the leaders of agriculture, instead of degrading the farmer and farm labor...should do something to dignify farm labor so that people would go out and work at agriculture in competition with other forms of labor, but so long as we evade the question it will be difficult to get any of our boys to go on the farm... We might just as well spend more of our time in making these things desirable so that people will seek that kind of employment.

We should like to associate ourselves with the Congressman's remarks. We regret that his suggestions were not acted upon by the Farm Bureau twelve years ago, nor acted upon since either by the Farm Bureau or by any other agricultural group.

It is very late in the day, but not too late. If they wished, growers' organizations could do much to create a happier image of agriculture as a class of employment. The formidable opinion-shaping apparatus which underlies day's "Harvest Seminar" is evidence of the resources growers have at their beck and call, if they care to use them. But, first, growers must

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make up their minds as to their own feelings. Do they really believe agricultural employment is fit only for peasants from Japan, Mexico, and the Caribbean? If so, they will have a difficult time convincing their fellow Americans of a contrary proposition.

Growers must break from the assumption that they are offering degrading employment. Among other things, this assumption degrades growers themselves. Rather, growers must look again at the basic nature of the commodities with which they deal. Which is the lovelier: a pig iron ingot, or a peach? Which is the more essential to life: a can of gasoline, or a stub of potatoes? Perhaps it would be helpful if agribusinessmen turned for a day or two to the soil which others till for them. They should let that soil run through their fingers. They should pull bolls of cotton; cut lettuce; pick heavy, ripe tomatoes. They should cradle apricots in the palms of their hands --

The agricultural laborer works with a precious stuff, and from this should proceed dignity. Let growers convince themselves of the dignity which should righfully accompany the employment they offer. They will then be able to convince others.

golden velvet apricots, warm and blushing from their romance with the sun.

Economic equity and social dignity: this is the only real meaning of "attract and retain workers."

C. Utilization of The Farm Labor Force.

Every objective observer must be shocked by the profligacy with which agricultural employers squander their labor resources. The Secretary of Labor reports that full-time farm workers averaged 144 days of employment in 1957, as compared with 180 days ten years earlier. The President's Commission on Migratory Labor found that average days of farm work per farm worker declined approximately 20% in the four years immediately following World War II. At the most critical phase of the "labor shortage" in peaches this year, the Agricultural Workers Organizing Committee found: (a) workers offered only half-day employment; (b) able, willing, and qualified high school students turned away by Farm Placement offices and growers; (c) able, willing, and qualified women refused employment; (d) able, willing, and qualified men left standing on the street corners of Tracy, Stockton, and Modesto, where they were seeking peach-picking jobs.

We suggest that growers bid adieu to the fifteen-year honeymoon during which they have been provided workers by the State and Federal governments. This "service" has, in fact, been no service to anyone concerned, including growers themselves. As adults and businessmen, growers have exactly the same responsibilities as other adults and businessmen -- to make their own arrangements for the essentials of their livelihood. The shuffling off of

recruiting the responsibility for farm labor on to the government has led to an insidious kind of flab among many growers. They have grown unaccustomed to planning, hard thinking, the exercise of imagination. All these are required if agriculture is to be saved from itself.

Growers are going to have to re-shoulder the responsibilities which are properly theirs. They are going to have to plan for the most efficient utilization of the available labor force. This was done in some areas during World War II, and immediately afterward. Half a million fewer hired farm workers were employed in 1945 than 1940. Fewer than 100,000 foreign workers were employed at any time during this period. Yet, with a 20% smaller hired labor force in 1945 than in 1940, production was 30% higher! There are the contract of t can be only one explanation: more rational use was made of the labor available

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Under the terms of the Mexican National program, it is not necessary to be rational, nor is it necessary to do the hard planning which efficient utilization of the farm labor force will require. But when growers have to ville plan, and have to share their labor, they can do it, in peacetime as well as wartime.

We commend to the attention of all concerned an incident which occurred in the spring of 1948 in Arkansas. The incident was summarized by Mr. Walter Erb. Farm Placement Director, United States Employment Service, in testimeny before the House of Representatives Committee on Agriculture:

Mr. ERB ...we ran a deficit in Arkansas of 7,500 men for the hosing and chopping (of cotton). We have made it up.

Mr. GATHINGS. There was a deficit this year of 7,500.

Mr. ERB. That is right. We have made it up by squeezing out a few here and a few there.

In Arkansas, we had certified for 3,100 foreign workers to help meet that deficit. When we ran into the difficulty of the Mexican Government refusing to allow contracts, we had to improvise.

First we went to the British West Indies. They said they

could make available 3,000 workers.

By the time we had that worked out our improvisations had squeaked us by...

Note carefully the sequence of events. A "labor shortage" of 7,500 workers was announced. The government certified the use of 3,100 Mexican Nationals. When they were not forthcoming, the government certified the use of 3,000 British West Indians. When they were not forthcoming, the cotton growers of Arkansas got their cotton chopped by domestic workers who had been available all the while.

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Would it not be simpler, cheaper, and more dignified for growers to forego the ritual of "labor shortages," and certification of foreign nationals. and to begin each season with plans to "squeeze out a few here and a few there?" If the will to utilize domestic workers were genuine, workers would be found. Merely to cite one example of an almost wholly untapped labor source: many workers employed in other industries would be willing to spend 4 hours or so in the fields, either before or after their other employment. if there were an authentic labor shortage, and if the degrading characteristics of farm employment were removed, Under these conditions, too, many laborers from other industries would schedule at least a portion of their annual vacation to coincide with the harvest peak, and would be able to work full days. But these workers, many of whom are former farm workers, are not easily fooled. If a "labor shortage" is artificial, they will know it. And if growers indicate, by offering intolerable wages and working conditions, that they do not really want or expect to get domestic workers, Americans will recognize the signs.

As we have said elsewhere in this paper, before there can be fundamental solutions to agricultural problems, growers will have to decide in their own minds whether they want to continue standing outside the remainder of the nation's economy, or whether they want to join that economy and share fully in its wondrous abundance.

D. Madison Avenue and Morality.

The techniques of Madison Avenue are ethically neutral. Propaganda is neither good nor bad; it is only used for good or bad purposes.

We regret to say that the advertising efforts of California growers have to date been concerned with a basically bad product. These efforts have included opposition to social legislation; opposition to organized labor; advocacy of foreign contract labor programs; complaints that "Americans won't do farm labor"; complaints about a "cost-price squeeze." Such public relations efforts as these may all be wrapped up in a single bundle, the contents of which is timorousness, selfishness, and unimaginativeness. This, we say, is a bad product.

We believe California agriculture can do better than this. We suggest that California agriculture launch a program of public relations totally different from those it has underwritten in the past.

We suggest that California growers, through their professional publicists, leap into the national advertising market with joy, courage, confidence —and with a splash. If this were done, there is no ineluctable reason why the figures in the following table could not be increased.

	FARMERS SHA	RE OF RETAI	L FOOD DOLLAR, 1957	
Al	l fruits and vegetables	. 28%	Processed:	
	Fresh:		Strawberries, frozen23%	
	Potatoes	.28	Beans, green, frozen21	
	Celery	. 29	Peaches, canned18	
	Carrots	.26	Tomatoes, canned16	
	Lemons	.25	Corn, canned15	
	Grapefruit	.19	Peas, canned15	
IS	Department of Agriculture	"Markoting	and Transportation Situation Il Ion	7.0

SOURCE: U.S. Department of Agriculture, "Marketing and Transportation Situation, "Jan., 1958.

In 1948, 22.6% of the average family's budget was spent on food. To-day, the figure is 20.6%. In the meanwhile, quite different changes have been taking place in the proportions being spent for other purposes:

	1948	1958	Percent change
Housing costs Automobiles Telephone TV, radio	0.9		25.2 20.5 33.3 37.5

Is food less important than automobiles and television? Are growers' representatives less persuasive than auto and TV salesmen? Why cannot the food industry compete successfully for the consumer's dollar? It is far and away the largest industry in the country, doing an \$80,000,000,000 annual business.

Growers of fruits and vegetables convince no one when they claim they are martyring themselves in a lonely battle against inflation. They are slightly more persuasive when they point out the perishability of their commodities. But their talk of consumer boycotts lapses once again into the absurd. What are consumers going to buy in the place of fruits and vegetables? Obviously, there is no substitute. Once again, it appears that growers and their representatives are simply searching for excuses to avoid doing the hard planning and organizational work which will enable them to compete on equal terms in the national market place.

As part of its contribution to the reconstruction of agriculture, the Agricultural Workers Organizing Committee has conducted a survey of housewives' attitudes toward farm wages and food costs. This question was asked: "If farm workers' wages were increased to about \$1.25 an hour, would you be willing to pay a little bit more for fruits and vegetables?" Results were as follows:

per processor per per per per per per per per per pe	Number	Percent	: :
TOTAL	121	100.0	1.
Yes	111	91.7	
No	. 1	0.8	
Don't know:	9	7.4	

This question was followed by one couched in somewhat more specific terms: "If the cost of fruits and vegetables went up about half a penny a pound, or a penny a can, what do you think you and your family would do stop buying fruits and vegetables; buy fewer fruits and vegetables; or continue buying fruits and vegetables as before?" Results were as follows:

This poll was conducted, by the way, in lower-income neighborhoods, where an increase of a penny per can is presumably of somewhat greater concern than it would be in more affluent neighborhoods.

Actually, a half-penny per pound increase for fresh fruits and vegetables, and a penny per can increase for processed fruits and vegetables, would considerably more than cover an increase of farm wages to \$1.25 an hour. For purposes of illustration, let us consider fresh and canned tomatoes and peaches.

Tomatoes for the fresh market are usually picked on an hourly basis. \$1.00 per hour was the most common rate paid this year in San Joaquin County. The average output per man-day in this type of work, according to the Farm Placement Service, is .6 tons, or twenty-four 50 pound boxes. The picker receives two-thirds of a cent for each pound of tomatoes he picks. If his wage were increased to \$1.25 an hour, he would receive slightly more than eight-tenths of a cent per pound, or an increase of something under two-tenths of a cent.

These lines are written at the height of the fresh tomato season. At this moment, tomatoes are selling in San Joaquin County markets for a minimum of 10¢ per pound, up to as much as $19\frac{1}{2}$ ¢ per pound. It would appear, therefore, that an increase of two mills per pound to the picker might be borne without bankrupting the industry. We are not convinced that the increase need be passed to the consumer. If the cost is passed on at the half-cent per pound suggested in our pell of housewives, someone else in the industry will realize even more from the increase than the picker.

Let us now consider canned tomatoes. Canning tomato pickers receive $12 \neq per 50$ pound box in San Joaquin County: slightly less than one-quarter of a cent per pound. A $\#2\frac{1}{2}$ can of solid pack tomatoes contains the equivalent of slightly over two pounds of fresh tomatoes. The pickers's share of a can of tomatoes is half a cent. In the markets of San Joaquin County at present, $\#2\frac{1}{2}$ cans of tomatoes are selling for a minimum of $20 \neq 0$, up to as much as $31 \neq 0$. If the picker's wages were increased to $18 \neq 0$ per box,

his "equity" in a can of tomatoes would become three-fourths of a cent -an increase of a quarter of a penny. Here, again, it would seem that this
one-fourth cent might be absorbed somewhere along the line. But, again,
if the food industry feels it must pass on the increase to the consumer,
it can obviously be done without pricing the commodity out of the market.

Let us assume that tomatoes which were selling at a price of 2 cans for
49% go up to 25% per can. The increase is ½% per can. Such an increase
would permit a 50% increase in pickers' wages -- and other elements within the industry would still be profiting from the increase more than the
picker!

Next, let us consider the case of fresh peaches. Most are picked on the basis of \$1.00 per hour. The Farm Placement Service calculates .7 tons per man-day as the average output. This is 35 40-pound boxes, or 1,400 pounds. (Productivity is always lower when picking for the fresh market, as greater care must be taken with the fruit.) In other words, the picker receives slightly more than half a cent per pound. As these words are written, the Stanislaus County peach season is at its height. Fresh peaches are selling in Stanislaus County markets for a minimum of $9\frac{1}{2}$ ¢ per pound, up to as much as $19\frac{1}{2}$ ¢ per pound. If the picker's wage were increased to \$1.25 an hour, the price of peaches would need to go up just $1\frac{1}{2}$ mills per pound in order for everyone else concerned to retain his present margin of profit. If the price were increased by half a penny a pound, approximately one-third of the increase would go to the picker; the rest could be divided among grower, packer, wholesaler, and retailer.

Finally, let us discuss canning peaches in relation to wages, prices, and consumer behavior. The most common rate for peach picking in Stanislaus County this year is 15% per 40 pound box. Average productivity, according to the Farm Placement Service, is .9 tons per man-day: 45 boxes, 1,800 pounds.

The picker, then, is receiving slightly over one-third of a penny per verification. There are the equivalent of approximately two pounds of fresh peaches in a #2½ can. The picker's "equity" is about two-thirds of a penny. In order for peach pickers to average \$1.25 an hour, the piece rate would have to be increased to 22½ per box. This would mean the picker was receiving approximately half a penny a pound, and would increase his "equity" in a #2½ can to approximately one cent.

A $\#2\frac{1}{2}$ can of peaches sells in Stanislaus County for a minimum of 25ϕ up to as much as 37ϕ . The increase of one third of a cent which would be involved in a pickers' wage hike does not seem overwhelming. Indeed, as before, an increase of a penny per can in the grocery shelf price would not only cover the worker's wage increase but would leave twice the wage increase to be shared by other participants in the production process.

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This discussion, couched in materialistic terms, omits what are perhaps even more important considerations. We are entitled to ask growers whether they are honestly proud of offering Americans food which is cheap in price but costly in human suffering and the sacrifice of social values. We are entitled to ask Americans whether they really want food garnished with misery -- whether they want food subsidized through the importishment of the people who produce it. In a speech in Los Angeles, Secretary of Labor James P. Mitchell said,

In this country we do not choose to keep down our bills, including our food bills, at the cost of overworking and underpaying human beings. We choose instead to pay the price necessary to support an adequate wage.

We think Secretary Mitchell was right. We think the American public is quite prepared to play -- and pay -- its part in uplifting agriculture to a point that it becomes an object of pride rather than an object of shame or pity. The outstanding question is whether growers and processors are prepared to meet the public half-way in this endeavor. It will require the best efforts of all. But the rewards are very great. They include not only material blessings, but the stature of our nation in the world's eyes -- and in our own.

E. Unionization.

It is to be regretted when any group comes to live by glowwords or scare-words, for these shibboleths rob men of their reason. One of the scare-words by which certain growers live is "unionization." We are not privy to the phantasms which this word apparently conjures up in the minds of growers, but we seriously doubt that these phantasms are rooted in reality.

Are growers fearful that an agricultural workers union will take from them their right to hire and fire? If so, this fear can only be regarded as neurotic. The fact is that growers will gain freedoms under unionization they do not now enjoy. The labor contractor system largely strips from the grower his hiring authority. What little remains is stripped from him by the Mexican National program. San Joaquin County uses more braceros than any other county in California. We know of no San Joaquin County grower who hires the braceros he wants. Braceros for the San Joaquin Farm Production Association are selected in El Centro by a gentlemen named William Ledbetter, an agent for an insurance company. We think it doubtful, to say the least, that Mr. Ledbetter is conversant with the individual wishes of the user-members of the San Joaquin Farm Production Association.

When the braceros arrive in Stockton, they are processed at the Association's headquarters on East Charter Way, and assigned to hundreds of camps scattered throughout six counties. Once again, we must confess some doubt that William Duarte, the Association manager, or any member of his staff, is conversant with the labor preferences of each of the association's usermembers. For that matter, given the nature of the system, such preferences could not be met even if they were known. When Mexican Nationals arrive at a rate of 250 to 500 per day, they are not and cannot be assigned on an individual basis. They are assigned on masse. Depersonalization is, of course, one of the hallmarks of the contract labor system.

But this is not the end of the matter. The bracero-user is stripped of his freedom of action in many other ways. He becomes subject to a series of regulations and contractual obligations far more complicated than anything ever dreamed of any union of American agricultural workers. He becomes obligated to hire any domestic farm laborer who asks for employment. The only quaification is that the domestic worker must have a referral card from an office of the Farm Placement Service, and we understand that even this requirement is being eliminated under a "gate-hiring" policy. Where is the grower's freedom to hire and fire under existing farm labor practices? Obviously, he has long since surrendered this freedom. What, then, does the grower fear he is going to lose under unionization? It would be difficult to say. The truth of the matter is that growers stand to gain a great deal from unionization -- as employers in other industries have gained, and freely admit they have gained. Labor unions do not take from management, and then give nothing in return. In return for the improved wages and working conditions which they obtain from management for their members, unions furnish management with a Moor force which is sufficient in number, which is competent to do the job required, and which is productive because its morale is good. Surprisingly often, people forget that one of the functions of a union is to exercise "quaity control" over its members. It is obviously to the union's advantage to screen out prospective members who are unreliable, incompetent, dishonest, and so forth. Equally obviously, this redounds to the advantage of the employer. It would conspicuously redound to the advantage of agricultural employers who, in a chaotic labor market, have to accept numbers of undependable and unqualified workers. A union also serves the employer better than he knows in that it maintains morale among workers. We do not refer solely, or even largely, to the "pork chop" functions of unionism. Cows may derive their contentment from creature comforts alone, but men need something more. Unions provide that "something more" in that they enable workers to participate in the shaping of their own economic destinies. No other agency can confer on workers this gift. Agricultural workers have never been permitted the sense that they have any control over their fate in the farm labor market. This, perhaps more than any reason, is why we refer to farm workers as "demoralized" by present conditions. A demoralized worker is not a good worker, whatever his physical capabilities and training may be. The nascent union of agricultural laborers will replace demoralization - 1.6 -

enthusiasm and with/vigor. This alone, we should think, would commend unionization to agricultural employers. It is only one of many benefits to agriculture which will flow from the stabilization of the farm labor market.

F. Reducing the Irreducible.

Growers are often prone to assume there is no way they can cut costs on such items as farm machinery, utilities, chemicals, and so forth. This is not necessarily true. There is no objective reason, for example, why two neighboring growers, each of whom farms 100 acres, should each own a tractor, ridger, Bean sprayer, and so forth.

Another demonstrably practicable way to reduce "irreducible" costs is through consumers' cooperatives. A number of Central Valley growers, for example, have lowered their fertilizer costs appreciably through acquiring and operating their own fertilizer plant on the West Side of Fresno County.

There is only one prerequisite to the reduction of "irreducible" farm production costs: cooperation. This brings us to a consideration which is perhaps the most fundamental of any to be examined in this entire discussion.

G. The Myth That Never Was.

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"No one is going to tell me what to do," says Horatio Alger Grower-shipper. He likes to think of this as rugged individualism. Ragged individualism would be the better term. The grower who refuses to join a commodity organization, and who fights legislative and administrative reforms as he fights the labor movement, is reducing himself and his family to the same rags his employees and their families were reduced to long

ago. The saddest part of the situation is that Mr. Growershipper is wounding himself and others in the name of a myth that never was. No man has ever been an island, and this is even more true in our society than in the 16th Century English society of John Donne. 20th Century American society is marked by an extremely refined and delicately balanced division of labor. A high division of labor makes for high efficiency and a high standard of living. We doubt that even the ragged individualists would propose we turn the clock back on the Industrial Revolution. But a high division of labor also makes for interdependence. follow Some of the relationships which / from this high level of interdependence can be governed by tradition alone. Others cannot be left to chance, and . must be more formal. We therefore have organizations. And we have government participation. Curiously enough, the ragged individualists who decry organization -- and particularly government participation -- when it comes to some economic considerations, have no objection to organization and the participation of government when it comes to other economic matters. The most vociferous foes of "government interference" in agriculture are quite happy to have the government interfere when it suits their purposes. It would be impossible to conceive a more fundamental interference with normal economic tendencies than the bracero program represents in the farm labor market. Without the program, the laws of supply and demand would dictate a variation of farm wages, depending on the availability of workers. Under the program, the government guarantees the availability of workers without regard to wages. We therefore have the unprecedented spectacle of the most basic of all economic laws standing squarely on its head: during a widely proclaimed and lamented "farm labor shortage," the price of labor not only has failed to rise, but in many cases was actually declined. It is noteworthy, furthermore, that growers who would consider membership in a cooperative an assault on their "individualism" have no objection to membership in bracero-using associations. These associations are, of course, nothing more or less than buyers' cooperatives -- the commodity purchased being contract laborers. Let us have an end to the nonsense that growers are mavericks who are constitutionally incapable of banding together in their own interest. Like everyone else, they not only can, but in many respects have, organized.

Let us have an end to the nonsense that growers are mavericks who are constitutionally incapable of banding together in their own interest. Like everyone else, they not only can, but in many respects have, organized. The only reason they have not built organizations capable of dealing effectively with the canneries and other major purchasers of their crops is that they have not had to. They have been able to survive in their disorganized state by requiring their employees also to exist in a disorganized state. This is morally indefensible, and economically unnecessary.

We of the Agricultural Workers Organizing Committee do not feel it is our place to delineate in detail the procedures growers should follow to set up effective organizations, or the character of the organizations which should emerge from these efforts. Perhaps commodity organizations such as the California Tomato Growers Association might evolve into effective bargaining instrumentalities. Perhaps producers' cooperatives, along the lines of the California Fruit Growers Exchange, or Sunmaid Raisin organization, are a viable answer to growers' weaknesses. Of this much, we are sure: growers should, and eventually will, form effective bargaining agencies. No one is going to do it for them. Labor, government, the general public may prod them, encourage them, assist them. But if growers are to be saved, they will save themselves. If the ragged individualists prove incorrigible, they will go the way of the dinosaur, and deservedly so. The growers who are left -- and we are confident they will be in the substantial majority -- will salvage the honor of the industry of agriculture, and the human capacities for rationality and self-determination. AWOC Research Paper #5,
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